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ARIZONA CORPORATION COMMISSION

March 15, 2006

Mr. Michael T. Langston Senior Vice President Government and Regulatory Affairs Transwestern Pipeline Company 5444 Westheimer Road Houston, TX 77056

Dear Mr. Langston:

Recently, Commissioner Bill Mundell wrote to you regarding the proposed Transwestern pipeline in Arizona. I write to concur with Commissioner Mundell's belief that Transwestern should explore all alternatives for the pipeline's route and attempt to minimize the impact on existing residents and businesses.

There is little doubt of the need for additional natural gas infrastructure in Arizona. The proposed Transwestern line would bring much needed natural gas into the Phoenix market and will finally bring competition to our natural gas supplies, which will ultimately benefit consumers, electric utilities, merchant operators and gas companies. That said, I recognize the difficulties in siting this infrastructure, difficulties that, as our Staff recently noted, will only become more acute as Arizona's population expands.

I recently met with officials from the town of Prescott Valley. They are very concerned about the location of the proposed line and the proximity to existing residents and businesses and have reached out to Transwestern officials to find an alternate route for the pipeline. Specifically, Prescott Valley officials are worried that the proposed route would take the pipeline to within 20 feet of at least one existing subdivision and very near two others. A number of residents from these subdivisions provided similar comments at the FERC public comment session held in Prescott Valley. I concur with these concerns and urge you to take Prescott Valley's proposed route seriously by investigating the feasibility of that route with due deliberation.

Thank you in advance for your attention to these concerns.

Sincerely,

Kris Mayes Commissioner Mr. Michael T. Langston March 15, 2006 Page 2

cc: Chairman Jeff Hatch-Miller

Commissioner William A. Mundell

Commissioner Marc Spitzer

Commissioner Mike Gleason

Prescott Valley Mayor Harvey Skoog

Prescott Valley Vice Mayor Michael Flannery

Prescott Valley Councilmember Robert Edwards

Prescott Valley Councilmember Lora Lee Nye

Prescott Valley Councilmember Angie Parker

Prescott Valley Councilmember Fran Schumacher

Prescott Valley Councilmember Harold Wise

Prescott Valley Town Manager Larry Tarkowski

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